

SCOPE AND APPLICATION

The purpose of this Terms of Business Agreement ('Agreement') is to describe our professional relationship and the services we will provide to you (except for services, if any, which we are providing under the terms of a separate written agreement executed by you and Credit Risk Solutions Ltd).

You should contact us if there is anything in this Agreement which you do not understand or with which you disagree.

Your direction to seek a quotation, bind coverage and/or your payment related to your insurance placement will be deemed your signed, written agreement to be bound by the provisions of this Agreement.

In this Agreement "**Credit Risk Solutions**", "**CRS**", "**we**", "**us**" and "**our**" means Credit Risk Solutions Ltd. Also, "insurance" includes "reinsurance" and "insurers" includes "reinsurers".

You should read this Agreement carefully for, as well as setting out the terms of our relationship it contains details of our regulatory and statutory responsibilities. We particularly draw your attention to the following sections:

- Your Responsibilities;
- Our Remuneration;
- Conflicts of Interest; and
- Complaints.

This Agreement takes effect from 1 November 2018 or the date on which it is received (whichever is the later) and supersedes any Agreement that may have been previously sent to you by us.

INTRODUCTION AND STATUS DISCLOSURE

We are a leading specialist credit insurance intermediary and risk management consultancy and are authorised and regulated by the Financial Conduct Authority. Our permitted business is arranging credit insurance and surety contracts. We act as the agent of our client and represent the client's interests.

Our authorisation (registration number 300586) can be verified by visiting the Financial Services Register which can be found on the website <http://www.fca.org.uk/register> or by contacting the FCA on 0800 111 6768 (or +44 20 7066 1000 if you are calling from abroad).

Our ultimate parent company is Nexus Underwriting Management Ltd, which is incorporated in England. In this Agreement, Nexus Underwriting Management Ltd, its subsidiary and joint venture companies are each referred to as a "Nexus Group Company" and collectively as "Nexus Group Companies". We arrange credit insurance, surety bonds, advisory services and/or risk management consultancy services. We are committed to acting in your best interests at all times in providing services to you. As an insurance intermediary, we normally, unless we advise you elsewhere, act for you, and we recommend and arrange insurance with one or more insurers following a fair analysis of the market, according to the nature of the product required. We do not offer advice in relation to tax, accounting, regulatory or legal matters (including sanctions) and you should take separate advice as you consider necessary regarding such matters.

NEGOTIATION PLACING AND ADVISING

We will discuss with you or your representatives your insurance requirements, including the scope of cover sought, limits to be sought and cost. Upon receipt of your instructions, whether written or oral, we will endeavour to satisfy your insurance requirements. We will provide you with information about the insurance cover we recommend based on a 'fair and personal' analysis of the market to enable you to decide whether to accept the insurance cover available. We will advise on market structures available to meet your demands and needs and, where appropriate, the relative merits of a single insurer or a multiple insurer placement. As your insurance intermediary we will answer any questions you may have on the proposed cover, its benefits, placement structure, restrictions, exclusions and conditions.

During the course of the placement of your insurance we will endeavour to keep you informed of the progress of our negotiations and identify any inability to obtain the coverage sought by you. We will use reasonable endeavors to implement your insurance programme, subject to available insurers, before the intended date of inception, renewal or extension of cover (whichever is appropriate). We shall also advise of any charges additional to the insurance premium before you are committed to paying them.

INSURERS

We assess the financial soundness of the proposed insurers we recommend for your requirements using public information including that produced by recognised rating agencies. However, we will not in any circumstances act as an insurer nor will we guarantee or otherwise warrant the solvency of any insurer. It should be noted that the claims-paying ability of even the strongest insurers could be affected by adverse business conditions. As a consequence, the suitability of any insurer rests with you and we will discuss with you any concerns you may have.

CLAIMS

We will provide claims handling services for the period of our appointment. These services can be continued beyond that point by mutual agreement but will be subject to additional remuneration. Our claims handling services include, upon receiving the required information from you, the notification of the claim or circumstances to insurers, the communication of reports and correspondence in connection with the claim between appropriate parties, and arranging the collection and/or settlement of the claim in accordance with market practice and the terms and conditions of your contract. Our claims handling services will not be provided in the event that claims are to be dealt with by you with insurers directly. In all cases claims settlements will be made directly to your bank account by insurers.

ADDITIONAL SERVICES

If requested, available and appropriate we may agree to provide you with a number of additional services which fall outside our core service provision. Such services, may be subject to the agreement of additional remuneration.

ELECTRONIC COMMUNICATIONS

We may communicate with each other, and with other parties with whom we need to communicate in order to provide services to you, by electronic mail, sometimes attaching further electronic data. By engaging in this method of communication we and you accept the inherent risks (including the security risks of interception of or unauthorised access to such communications, the risks of corruption of such communications and the risks of viruses or other harmful devices). Notwithstanding that we have reasonable virus checking procedures on our system, you will be responsible for virus checking all electronic communications sent to you. You will also be responsible for checking that messages received are complete. In the event of a dispute neither of us will challenge the legal evidential standing of an electronic document and the Credit Risk Solutions system shall be deemed the definitive record of electronic communications and documentation.

You should also be aware that Credit Risk Solutions systems security devices block certain file extensions, including but not limited to: .rar, .text, .vbs, .mpeg, .mp3, .cmd, .cpl, .wav, .exe, .bat, .scr, .mpq, .avi, .com, .pif, .wma, .mpa, and .mpg. Emails attaching such files may not get through to us and no message will be sent to tell you they have been blocked.

OUR REMUNERATION

Our remuneration for the services we provide will be either commission, which is a percentage of the insurance premium paid by you and allowed to us by the insurer with whom your insurance contract is placed, or a fee as agreed with you. If appropriate, we may receive a fee and commission. Where remuneration is in the form of a fee we will disclose the exact amount of the fee unless it cannot be calculated at the time in which case the method of calculation will be advised. Unless otherwise agreed with you, we will retain all fees and commission in respect of the full period of the contract in relation to contracts placed by us including in circumstances where your insurance contract has been terminated and your insurers have returned prorated net premium.

It may, at times, be appropriate (and for your benefit) for us to use other parties such as wholesale brokers, excess and surplus lines brokers, underwriting managers, managing general agents or reinsurance intermediaries. These parties may also earn and retain commissions for their role in providing products and services for you.

You may also choose to use a premium finance company or other service provider in connection with the insurance we place for you or the services we provide. If we receive any remuneration from any such service provider by reason of your use of their service, we will disclose to you the amount of that remuneration before you make a final decision to use that service provider.

MARKET-DERIVED INCOME

We or other Nexus Group Companies may also enter into agreements with certain insurers in order to assist the development of insurance products for our clients. Under these arrangements we may be paid by the insurers for the services we provide to them in addition to any fees or commissions we may receive from you for placing your insurance cover.

LIMIT OF LIABILITY

Credit Risk Solutions and/or its affiliates' aggregate liability for breach of contract, negligence, breach of statutory duty or other claim arising out of or in connection with this Agreement or the services provided hereunder shall be limited as follows:

- (i) in respect of personal injury or death caused by Credit Risk Solutions negligence, no limit shall apply;
- (ii) in respect of any fraudulent acts (including theft or conversion) or willful default by Credit Risk Solutions, no limit shall apply;
- (iii) in respect of other claims, the total aggregate liability of Credit Risk Solutions shall be limited to the sum of GBP £10 million ; and
- (iv) subject to clauses (i) and (ii) above, in respect of the following losses: loss of revenue; loss of opportunity; loss of reputation; loss of profits; loss of anticipated savings; increased costs of doing business; or any indirect or consequential loss, Credit Risk Solutions will have no liability in any circumstances.

YOUR RESPONSIBILITIES

Proposal Forms

Credit Insurance and Surety underwriters typically require you to complete a proposal form or similar document. We will provide guidance but we are not able to complete the document for you.

Disclosure of Information

Our objective is to obtain the most suitable product we can identify in order to meet your insurance needs. In order to make our business relationship work, you must provide complete and accurate information and instructions in a timely manner, so that we can assist you fully. Unless we advise you otherwise, you have a duty to give a 'fair presentation' of the risk to insurers. This means that you must clearly disclose every material circumstance which you, your senior management or persons responsible for arranging your insurance, know or ought to know following a reasonable search. This duty applies equally at placement, renewal, alterations and where the insurance contract conditions so stipulate. A factor or circumstance is "material" if it would influence the judgment of a prudent insurer in deciding whether or not to underwrite the risk and if so, at what premium and on what terms. Failure to discharge this duty may allow insurers to avoid the policy (i.e. treat it as if it had never existed) or amend the terms that apply which may lead to a claim being refused or a reduction in the amount paid in the event of a claim. You are legally obliged to take reasonable care not to make any misrepresentation to the insurer. We will not be responsible for any consequences which may arise from any delayed, inaccurate or incomplete information, or any misrepresentation made by you.

If you are in any doubt as to whether a circumstance is material you are advised to disclose it. We will work on the assumption that you have full authority to supply us with all such information in the manner and for the purposes contemplated by this Agreement, but you should advise us immediately should that not be the case.

Choice of Insurers

If you have any concerns with any insurers chosen for your insurance requirements you must advise us as soon as possible.

Your Insurance Contract

We will forward any contract documents, if applicable, and any amendments or endorsements to your contract as soon as reasonably practicable. Although we will check the contract documents we send you, you are responsible for reviewing your contract to ensure that it accurately reflects the cover, conditions, limits and other terms that you require. Particular attention should be paid to any contract conditions, warranties and the claims notification provisions as failure to comply may invalidate your coverage. If there are any discrepancies you should consult us immediately.

Claims

It is generally the case that claims may become unenforceable by way of legal proceedings (or in some jurisdictions, completely extinguished) if they are not pursued by legal proceedings commenced within the relevant limitation period applying to your claim in the jurisdiction in question. As we are not lawyers, we do not advise on the legal implications of failure to collect and we will not commence legal proceedings or enter into standstill/tolling agreements in order to suspend the application of relevant limitation periods on your behalf. On these issues we recommend you take your own legal advice. It therefore remains your responsibility to monitor the position on limitation periods applying to your claims and to commence legal proceedings in relation to your claims where this is necessary. Therefore, please carefully consider any claims reporting instructions we provide to you because failure to report a claim in a proper and timely manner may jeopardise coverage of the claim. In addition, you should retain copies of all insurance contracts and coverage documents and adhere to any policy terms and conditions in relation to reportable events and claims reporting instructions, as you may need to report claims after the termination of an insurance contract. It is important, therefore, that you keep your insurance contract documents in a safe place.

Change in Circumstances

You must advise us as soon as reasonably practicable of any changes in your circumstances that may affect the services to be provided by us or the cover provided under your insurance contract.

Payment of Premium

You should review the insurance premium payment terms we advise you. All premium payment terms must be met on time or your insurers will have the right to effect a notice of cancellation for non-payment of premium. Premiums and other charges relating to policies are invoiced and collected by insurers. Failure to meet the Payment Date may lead to insurers rejecting/withholding claims payment or cancelling your contract, particularly where payment is a condition or warranty of a contract. It is imperative that you meet all payment dates. We are under no obligation to pay premium to insurers on your behalf.

DATA PROTECTION AND CONFIDENTIALITY

Where this section uses a term which is defined in the General Data Protection Regulation (Regulation (EU) 2016/679) ("Regulation"), then the definition set out in the Regulation shall apply. We will at all times treat all confidential information we hold about you as private and confidential and protect it in the same way we would protect our own confidential information and use that information in the ways contemplated by this Agreement. For the avoidance of any doubt, where you have not yet appointed us as your broker, but in contemplation of such a possible appointment you pass to us information which is proprietary and/or confidential to you, the provisions of this section shall apply as regards such information.

We will not disclose any confidential information we hold about you to others without your prior consent except:

- (i) to the extent we are required to do so by law or where requested or required to do so by a regulator;
- (ii) to insurers, loss adjustors, IT service providers, administrative support service providers, and other like persons to the extent necessary to provide our services to you in a timely manner;
- (iii) to loss assessors, lawyers, and other like persons to the extent necessary to enable such third parties to provide information or services you have requested; (iv) to premium finance companies to the extent necessary to enable them to provide you with greater choice in making premium payments; (v) to other Nexus Group Companies to the extent necessary to facilitate the effective management, administration and/or operation of our services.

By way of exception to the foregoing, you agree that we may:

- (i) use any information you provide (whether personal data or otherwise) to create anonymised industry or sector-wide statistics which may be shared with third parties, on the condition that unless we have obtained your consent, information confidential to you will not be revealed other than on an anonymised basis;
- (ii) share information concerning your insurance arrangement with insurers or their agents where this is necessary to enable insurers to decide whether to participate in insuring your risk or to participate in any arrangement made by Credit Risk Solutions whereby participating insurers agree to insure (wholly or partly) a portfolio of risks without necessarily making underwriting decisions on a case by case basis for individual risks within such portfolio;
- (iii) collect and use your risk, loss, reserve and claims data in the creation, marketing and commercial exploitation of loss databases, analytical or statistical reports, models and tools, (re)insurance and capital markets products, (any of which may or may not be used in the Services provided to you or in services provided to third parties);

If you provide us with, or make available to us, any information which constitutes 'personal data' (including any 'sensitive personal data' or 'Special Category' data), we will treat such information at all times in accordance with the Data Protection Act and the Regulation in the manner described within our privacy notice, which can be found online at www.creditrisksolutions.com or on www.nexusunderwriting.com/privacy-policy and you agree that we and other Nexus Group Companies may hold and process such information: (i) in order to provide our services to you; (ii) to facilitate the effective management, development or operation of Nexus Group Companies; (iii) to comply with applicable laws, prevent and detect fraud, and cooperate with regulators where appropriate, as outlined in the Credit Risk Solutions Privacy Notice.

You will ensure that all personal data has been collected and provided to us in compliance with the Regulation and all other applicable laws and, where required by law, you will obtain data subjects' consent prior to providing personal data to us. You will notify data subjects of the fact that their personal data (including sensitive personal data and Special Category data) will be provided to us, and the purposes for which we will use such data and obtain their explicit consent to us processing such sensitive personal data and Special Category data.

You will ensure that all personal data provided to us is accurate and, where appropriate, kept up to date, and will notify us if you become aware that such data is inaccurate.

You will provide us with reasonable assistance, upon request, in dealing with any requests, inquiries or complaints that we receive from data subjects and/or supervisory authorities in relation to any personal data processed under this Agreement.

SANCTIONS

The sanctions profile of different business(es) may differ on the basis of a number of complex factors, which may include, ownership, structure, control, location, and the nationality of employees. We are unable in any circumstances to give advice on the applicability of sanctions regimes either to you or to insurers nor can we guarantee or otherwise warrant the position of any insurer under existing or future sanctions regimes. As a consequence you are reminded that applicable sanctions remain a matter for your consideration and you should take such legal advice as you deem appropriate in this regard. You should inform us of any insurance requirements you have which touch upon or are linked to sanctioned territories.

We will comply with all applicable sanctions regimes and legislation (whether currently existing or implemented in the future) and you are advised that where obliged by applicable sanctions legislation we may have to take certain actions which include but may not be limited to the freezing of funds held on behalf of parties and individuals caught under applicable sanctions. We cannot be held responsible for the actions of third parties (including but not limited to banks and exchange institutions) who may have their own sanctions policy restrictions and constraints.

The applicability of Export Control legislation to certain transactions may differ on the basis of a number of complex factors and our obligations may be different from yours depending on the nature of the insurance, structure of the product and place of incorporation of the insured or geographical cover provided. The nature of risks insured may also have a bearing on our position and the position of other parties within the insurance market. We cannot provide you with legal advice however we advise that where we are required to make licence applications or notifications or undertake any other activity as a matter of law Credit Risk Solutions will comply with applicable law.

CONFLICTS OF INTEREST

Circumstances may arise where we may find we have a conflict of interest or otherwise have a material interest in or related to a matter in respect of which we are acting. For example, we may place credit insurance or surety facilities with other Nexus Group Companies. We may also find that the interests of two of the clients for whom we act conflict.

We have conflict management procedures and we seek to avoid conflicts of interest but where a conflict is unavoidable we will explain the position fully and manage the situation in such a way as to avoid prejudice to any party.

The insurance market is complex and there could be other relationships not described here which might create conflicts of interest. Whatever the circumstances, we will act honestly, fairly and professionally in your best interests. If a conflict arises for which there is no practicable solution, we will withdraw unless you wish us to continue to act for you and provide us with your written consent to that effect.

COMPLAINTS

Should you have any cause for complaint about our services please raise the matter in the first instance with the person who handles your account. Alternatively, you may contact our Compliance Officer at 52-56 Leadenhall Street, London, EC3A 2EB or email at compliance@nexusunderwriting.com. We will advise you of the person dealing with your complaint and we will send you a copy of our complaints procedure. If you are not happy with the response to your complaint and are an eligible complainant you have the right to refer your complaint for adjudication to the Financial Ombudsman Services, Exchange Tower, Harbour Exchange Square, London E14 9SR, Telephone: 0800 023 4567 (from landlines), 0300 123 9123 (from mobiles), and +44 20 7964 1000 (when calling from abroad), website: <http://www.financialombudsman.org.uk>

FINANCIAL SERVICES COMPENSATION SCHEME

You may be entitled to compensation from the Financial Services Compensation Scheme (“FSCS”) should we be unable to meet our obligations. Details of the circumstances in which you can make a claim – and instructions on how to do so – can be found on the FSCS website: <http://www.fscs.org.uk>.

TERMINATION

Our services may be terminated either by us or you upon the giving of one month’s notice in writing to the other or as otherwise agreed. In the event our services are terminated by you, we will be entitled to receive any and all fees or commission payable (whether or not the same have been received by us) in relation to contracts placed by us.

AMENDMENTS

You agree that we have a right to amend this Agreement by sending you either a notice of amendment in writing or a revised Terms of Business Agreement. Any amendment will apply in respect of any service transaction entered into by us after notice of the amendment is given, and may take effect either immediately or at such later date as the notice may specify. We will however give you at least ten business days’ notice of any change.

ENTIRE AGREEMENT

This Agreement and any amendment constitute the entire terms on which we will provide insurance business to you and no alternative will have effect unless issued or agreed by us in writing.

MONEY LAUNDERING AND PROCEEDS OF CRIME ACT

To comply with United Kingdom money laundering regulations there are times when we may ask clients to confirm (or reconfirm) their identity. We may need to do this at the time you become a client or have been one for some time or for example, when checking details on proposal forms and transferring claims payments. This information may be shared with other Nexus Group Companies and where we deem necessary with regulatory or law enforcement bodies. Please note that we are prohibited from disclosing to you any report we may make based on knowledge or suspicion of money laundering, including the fact that such a report has been made.

We have systems that protect our clients and ourselves against fraud and other financial crime and we may utilise the services of third parties in order to identify and verify clients. Client information can be used to prevent crime and trace those responsible. We may check your details against financial crime databanks. If false or inaccurate information is provided, we may be obliged to pass such details to United Kingdom regulatory agencies that may use this information.

CRIMINAL FINANCES ACT

Neither party shall take any action which facilitates the evasion of taxes anywhere in the world or which is contrary to any related financial crime laws and regulations (including without prejudice to the generality of the foregoing the Criminal Finances Act 2017).

Neither party shall be involved in the offering, promising or giving of any financial or other advantage to any person in breach of any laws and regulations against bribery (including without prejudice to the generality of the foregoing the Bribery Act 2010).

We shall maintain on an ongoing basis appropriate systems, procedures and controls designed to prevent any breach of paragraphs above for the purposes of compliance with the Bribery Act 2010, the Criminal Finances Act 2017 or any other relevant laws and regulations.

THIRD PARTY RIGHTS

Unless otherwise agreed between us in writing no term of this Agreement is enforceable under the Contracts (Rights of Third Parties) Act 1999, except by Credit Risk Solutions Ltd.

GOVERNING LAW

This Agreement, which sets out the terms of our relationship with you, will be governed by and construed in accordance with English Law and any dispute arising under it shall be subject to the exclusive jurisdiction of the English courts.

Credit Risk Solutions Ltd

Registered Office: 52-56 Leadenhall Street, London, EC3A 2EB, United Kingdom

www.creditrisksolutions.com

Credit Risk Solutions Ltd (registered number 4839874) is authorised and regulated by the Financial Conduct Authority and has its registered address at 52-56 Leadenhall Street, London, EC3A 2EB. Credit Risk Solutions Limited is a member of the Astreos specialist credit insurance broker network www.astreos-credit.com

Credit Risk Solutions Ltd is part of the Nexus Group of Companies.

V1 November 2018